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Does the CIA know what it's talking about?

"...The only experts on the Soviet Union are those who sit on the Politburo in Moscow. The rest of us have varying degrees of ignorance." *Malcolm Tboon, former U.S. ambassador to the U.S.S.R.*

"Estimating is what you do when you do not know." *Sherman Kent, former chief of the CIA National Intelligence Estimate.*

A page-one story in yesterday's *New York Times* about the Central Intelligence Agency and the Soviet arms buildup could, if true, help make mincemeat of the Reagan administration's defense budget. Unnamed CIA specialists, according to the story, claim the Soviet military spending growth rate has been over-estimated for the last six years.

Instead of a 3-to-4 percent annual increase, corrected for inflation, the growth rate "may have been no more than 2 percent," the *Times* reported. It went on to say that estimating Soviet military spending "is an inexact art, based on incomplete information, subjective assumptions, and difficulties in translating Soviet ruble costs into dollar values."

The real story about CIA's analysis and estimates branch is that it has had a dismal track record estimating the growth of Soviet military power. It has systematically discounted Soviet military expenditures. CIA analysts also were wrong in their predictions about the stability of the shah of Iran's kingdom, right up to the shah's downfall.

I am no admirer of President Carter but he was surely correct when he sent off a handwritten memo to his top security advisers in 1978 which began: "I am not satisfied with the quality of political intelligence."

In an article in 1979, Robert Ellsworth and Kenneth Adelman described in *Foreign Policy* "staggering CIA errors, compounded over 15 years, in estimating Soviet forces

and intentions and strategic weaponry and over-all military effort."

"Beginning in the 1960s," said the authors, "the CIA embarked upon a consistent underestimation of the Soviet ICBM buildup, missing the mark by a wide margin: Its estimates became progressively worse on the low side. In the mid-1970s, the intelligence community underestimated the scale and effectiveness of the Soviet's multiple independently targetable re-entry vehicle (MIRV) program. Even more important Soviet warhead accuracies that have already been achieved — and that have equalled U.S. accuracies — had been estimated by American intelligence to be unobtainable by Moscow before the mid-1980s."

How could such mis-estimates have happened, not only under Democratic but also under Republican administrations, right up to the present Reagan presidency?

Ellsworth and Adelman, who awaits a Senate vote on his nomination as Reagan's arms negotiator, said that the source of the problem lies "within the bowels of the intelligence bureaucracy itself."

American intelligence "has long been stultified by the domination of a clique," which has prevented the upgrading of the National Foreign Assessment Center. CIA Director William Casey has tried to do something about it by involving himself personally in the National Intelligence Estimates machine. But it has taken a long time to take even the first step.

The real bombshell which could destroy the CIA methodology for estimating Soviet military procurement expenditures has just gone off. It is a recently published book, *False Science: Understanding the Soviet Arms Buildup*, by Prof. Steven Rosefielde (Transaction Books, 1982) published under the auspices of the National Strategy Information Center.

The preface to Rosefielde's book is by Patrick Parker, who was deputy assistant secretary of Defense for intelligence a decade ago.

Parker says that during his government service, "I discovered that

the CIA's estimates of Soviet weapon expenditures were implausibly low and failed to reflect the rapid quantitative and qualitative improvements which we were seeing in Soviet weapons systems and technology."

Said Parker: "My own estimates, supported by those of most military intelligence organizations, indicated that the real value of Soviet weapons production was growing at roughly 10 percent per annum, while the agency put the figure variously between 2 and 4.5 percent per annum."

What Rosefielde has done in a brilliant technical and statistical analysis is to demonstrate the inconsistencies in CIA estimates of Soviet production costs, inconsistencies which arise from a CIA methodology which "systematically understates technological growth and biases the agency's estimates downward."

Until President Reagan persuades the CIA to adopt his view of Soviet intentions towards the U.S. and the Free World, estimates of Soviet military spending will be subject to all kinds of anti-defense propaganda.

CIA optimism about Soviet intentions leads to one kind of interpretation, Reagan's pessimism or realism about Soviet intentions demands a different kind of interpretation about Soviet arms expenditures.

Alexander Solzhenitsyn recently wrote in *National Review* that "We would understand nothing about communism if we tried to comprehend it on the principles of human reason. The driving force of communism, as it was devised by Marx, is political power, power at any cost and without regard to human losses or a people's physical deterioration."

In estimating Soviet military expenditures, the CIA might be well advised to base its conclusions on what, perhaps, we might call Solzhenitsyn's Law.

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